



Strengthening the U.S. – Saudi Arabia Partnership

President Trump recently concluded a visit with the Saudi Crown Prince Mohammed bin Salman to the United States resulting in multiple agreements strengthening the U.S.-Saudi partnership, creating jobs, and furthering our national security.

The White House Fact Sheet can be found [here](#).

Agreements Announced:

Investment: Saudi Arabia has announced an expansion of Saudi investment commitments in the U.S. to nearly \$1 trillion, up from the initial \$600 billion announced during President Trump’s trip to Saudi Arabia last May. This investment will go towards U.S. infrastructure, technology, and industry.

Civilian Nuclear Cooperation: U.S. Secretary of Energy Chris Wright and the Kingdom of Saudi Arabia’s Minister of Energy Prince Abdulaziz bin Salman Al Saud signed a [Joint Declaration on the Completion of Negotiations on Civil Nuclear Cooperation](#) to bring American civilian nuclear technology to Saudi Arabia while keeping firm commitments to nonproliferation.

While few details were released regarding the agreement, this is likely a precursor to a “123 Agreement,” an agreement under [Section 123 of the Atomic Energy Act](#) which is a legally binding framework for significant peaceful nuclear cooperation between the U.S. and partners. Such 123 agreements are required before the U.S. can license major exports of U.S.-origin nuclear material (fuel) and equipment (reactors). They establish a long-term strategic foundation and must be approved by Congress.

Critical Minerals: The U.S. and Saudi Arabia signed a [Strategic Framework for Cooperation on Securing Uranium, Metals, Permanent Magnets, and Critical Minerals Supply Chains](#), facilitating two-way investment in securing uranium, metals, permanent magnets, and critical mineral supply chains. Furthermore, the Department of War is partnering with Saudi Arabian Mining Company (Maaden) and MP Materials to build and operate a [rare earth refinery](#) in Saudi Arabia which will supply the U.S. and Saudi manufacturing and defense sectors.

Saudi Arabia holds one of the world’s most valuable rare earth element deposits. The [Jabal Sayid](#) site, about 350 km northeast of Jeddah, is estimated to contain the fourth most valuable rare earth element reserves globally, with 552,000 tons of heavy rare earths (including dysprosium and terbium) and 355,000 tons of light rare earths (such as neodymium and praseodymium).

Artificial Intelligence (AI): The U.S. and Saudi Arabia signed a [Memorandum of Understanding](#) (MOU) to give Saudi Arabia access to American AI systems while putting in

place safeguards protecting U.S. technology. In addition, the Commerce Department approved the sale of up to [70,000 advanced artificial-intelligence chips](#) to two companies based in the United Arab Emirates and Saudi Arabia.

Congress has provided the President the ability to restrict the export of AI related systems in the [Export Control Reform Act of 2018](#) (ECRA) which provides the legal framework for regulating exports of "dual-use" items that have both commercial and potential military applications.

Strategic Defense Agreement (SDA): The U.S. and Saudi Arabia signed a [Strategic Defense Agreement](#) to strengthen defense and affirm the U.S. as Saudi Arabia's primary partner. President Trump also designated Saudi Arabia as a Major Non-NATO Ally.

A [Major Non-Nato Ally](#) is a designation under [22 U.S.C. 2321k](#) and [10 U.S.C. §2350a](#) which provides foreign partners with certain benefits in the areas of defense trade and security cooperation, including: access to U.S. loans of defense materials for joint research and development; the ability to host U.S. War Reserve Stockpiles; eligibility for cooperative training arrangements with cost reimbursement; priority consideration for Excess Defense Articles; eligibility to purchase depleted uranium ammunition; authority to sign defense R&D agreements with the U.S. Department of Defense; the ability for MNNA firms to bid on overseas DOD maintenance and repair contracts; and access to funding for explosives-detection and counterterrorism research through the State Department's Technical Support Working Group.

Major Defense Sales: President Trump approved the sale of future F-35 deliveries to Saudi Arabia and a purchase of nearly 300 American tanks.

Financial Collaboration: The Treasury Department and Saudi Ministry of Finance signed [agreements](#) to enhance collaboration on capital markets technology and regulations, including:

The *Financial and Economic Partnership Arrangement*, which strengthens cooperation between the U.S. and Saudi Arabia in global financial institutions like the World Bank, IMF, and G20, and boosts joint efforts to combat money laundering and terrorist financing, making both the U.S. and Saudi financial systems more secure.

The *Capital Markets Collaboration Arrangement* which improves how capital markets operate between the U.S. and Saudi Arabia by focusing on advancing technology and regulatory standards, making moving investment capital easier and more efficient, which will support economic growth benefiting both nations.

The *Tax Information Exchange Agreement* which is designed to enhance economic ties by allowing the two countries to share tax information, helping to prevent tax evasion and fraud across borders. It also supports the U.S. policy of prioritizing American interests while promoting transparency and cooperation.